

Service Date: June 2, 1995

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER Of The Application)	UTILITY DIVISION
Of The Town of Nashua To Increase)	DOCKET NO. 95.4.20
Rates And Charges For Water Service)	ORDER NO. 5851
In Its Nashua, Montana Service Area.)	

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DEFAULT ORDER GRANTING WATER RATE INCREASE APPLICATION

BACKGROUND

1. On April 26, 1995, the Town of Nashua (Applicant) filed an Application with the Montana Public Service Commission (PSC) pursuant to Sections 69-7-101 et seq., MCA, for an order authorizing the Applicant to increase water rates in its Nashua, Montana service area. This increase will provide revenues to repay an INTERCAP loan taken to finance a water system improvement program. The rate increase will generate approximately \$11,022 in additional annual revenues, or an increase of 32 percent in total annual revenues to the sewer utility.

2. On May 2, 1995, the PSC issued a Notice of Opportunity For Public Hearing. A provision in that notice stated, "If no hearing is requested by May 22, 1995, no hearing will be held and an appropriate order may be issued based upon evidence submitted with the Application."

3. The PSC has received no protest or request for hearing.

FINDINGS OF FACT

4. On May 11, 1994, the Town Council of the Town of Nashua passed a resolution to request PSC approval of the proposed rates.

5. The Town completed a study which concluded that there are improvements that need to be conducted, including replacement of a deteriorated concrete tank, new water mains and new valves and hydrants.

6. The Town will fund these activities through a Community Development Block Grant and an INTERCAP loan.

7. The proposed rates will increase annual revenues by approximately \$11,022, or an increase of 32 percent in total annual revenues to the water utility.

8. The Commission reviewed the Application to determine the reasonableness of the request. Because there were no interveners the record upon which the Commission could base its decision did not contain any opposing views.

9. Based upon the evidence submitted with the Application, the Commission accepts the Town's proposed Application.

CONCLUSIONS OF LAW

1. The Applicant, the Town of Nashua, is a public utility as defined in '69-3-101, MCA. The Montana Public Service Commission properly exercises jurisdiction over municipal utility rate increase Applications in excess of 12 percent in total annual revenues. Section 69-7-102, MCA.

2. The PSC has provided adequate public notice and an

opportunity to be heard as required by Section 69-3-303, MCA, and Title 2, Chapter 4, MCA (Montana Administrative Procedures Act).

The Commission has received no protest or requests for hearing.

3. Based on the record, the rates and rate structure in this order are just and reasonable. Sections 69-3-201 and 69-3-330, MCA.

ORDER

IT IS HEREBY ORDERED THAT:

1. The Town of Nashua shall file rate schedules, consistent with the Findings of Fact herein, for its Nashua, Montana service area.

2. The rates approved in this Order shall not become effective until the tariffs and loan agreement(s) have been submitted for review by the PSC.

DONE IN OPEN SESSION at Helena, Montana on this 30th day of May, 1995, by a 5-0 vote.

BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

NANCY McCAFFREE, Chair

DAVE FISHER, Vice Chair

BOB ANDERSON, Commissioner

DANNY OBERG, Commissioner

BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.